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# All Eyes on Shultz

## Despite Conciliatory Statement by Reagan, Iran Policy Differences Cloud His Future

By **BERNARD GWERTZMAN**

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WASHINGTON, Nov. 17 — In talking publicly about the possibility he might resign, Secretary of State George P. Shultz appears to have swayed White House policy on Iran in his direction, at least for the moment.

### News Analysis

But even though President Reagan said personally today that he had "absolutely no plans" to send more arms to Iran, it was far from clear that this would put to rest widespread speculation in Washington that Mr. Shultz's days in the Reagan Administration may be numbered.

Top aides to Mr. Shultz said that they believed that he was sending a message, in his extraordinary television appearance on Sunday, and the initial reaction in Foggy Bottom was that it was having positive results: that Mr. Reagan, who watched Mr. Shultz's performance, had rushed to say what Mr. Shultz had wanted to have said — no more arms to Iran.

### Loyalty to Reagan

But it remained unclear whether this was the firm return sought by Mr. Shultz to the policy that existed before the secret arms shipments to Iran were begun against his recommendation. Mr. Reagan is due to hold a news conference on Wednesday night, and State Department aides hope for an unequivocal statement by the President backing up Mr. Shultz's position.

Some officials believe that such a declaration might persuade Mr. Shultz to remain as Secretary. But other senior aides believe that no matter what happens to Iran policy, Mr. Shultz has made the fundamental decision to quit, but out of loyalty to Mr. Reagan has decided not to do so now.

Mr. Shultz followed a similar course during the Nixon Administration, when he decided to quit in mid-1973 as Secretary of the Treasury over the reimposition of wage and price controls. But out of loyalty to the President, he agreed to stay on and run the program for a year.

### Remarks on Television Program

The speculation about Mr. Shultz's future was fostered by Mr. Shultz's comments on television on Sunday suggesting that he had discussed resignation with Mr. Reagan.

Last Monday, on a trip to Guatemala, Mr. Shultz told reporters that he had "no plans" to quit over the Iran opera-

tion. But on Sunday, when he was asked on the CBS News program "Face the Nation" whether he had considered resigning, he replied:

"Oh, I talked to the President; I serve at his pleasure, and anything that I have to say on that subject, I'd just say to him."

His spokesman, Charles E. Redman, when asked about the question of resignation, said today, "You heard what he had to say yesterday; it's all I've got."

"I'm not going to give you sort of an hour-by-hour status report of everything that crosses his mind," he said.

One top aide said that Mr. Shultz has not confided in his senior colleagues about his plans. He said, however, that everything seemed to suggest to him that after the present uproar over Iran subsidies, Mr. Shultz may step down.

He said that Mr. Shultz seemed to be torn by "his two main attributes — honesty and loyalty." The aide said that Mr. Shultz was "determined to tell the truth but also extremely loyal to the President."

The talk about resignation has arisen because Mr. Shultz's standing has unquestionably been damaged by the revelations in the last two weeks that showed the secret Iran operation was conducted against his recommendations and that he and his department were deprived of detailed information on what the small group of White House and C.I.A. officials were doing with the Iranians.

In a city where possession of information is often equated with power, Mr. Shultz's public admission over national television on Sunday that what he knew about the Iran operation was only "fragmentary at best," was a confession of impotence in a crucial policy area.

### Main Foreign Policy Spokesman

Moreover, and of critical importance to the current discussion, Mr. Shultz said on television that while he personally opposed sending more arms to Iran, he was unable to speak for the Administration. Since he is the principal foreign policy spokesman for Mr. Reagan, his admission was regarded as extraordinary by State Department officials.

They freely told reporters who asked that this indicated to them that Mr. Shultz, before his television interview, had been unable to secure a commitment from the President that the policy of secretly supplying arms to Iran, in contradiction to the public

policy of trying to block arms flows to Teheran, had ended.

Mr. Shultz has been the prime spokesman on virtually every foreign policy issue, and his advice to Mr. Reagan has been regarded as the most influential from within the Administration. Thus, for him to say publicly that he was not certain of what the policy was on an area of major importance was interpreted in the State Department as meant to provoke the White House into getting its policy lines in order, even if it meant weakening his own stature in the process.

If indeed, Mr. Shultz was trying to sway the White House, he seemed to succeed. Larry Speakes, the White House spokesman, went out of his way to say that there was no distance between Mr. Reagan and Mr. Shultz on the issue of arms to Iran. And then Mr. Reagan, in an impromptu remark to reporters, said, when asked if would ship more arms to Iran, "We have absolutely no plans to do any such thing."

### A Blow to Administration

The resignation of Mr. Shultz would be seen here as a major blow to the Administration, given the high regard in which he is held by members of Congress and by foreign governments, and his direct role in the negotiations with the Soviet Union. Some aides have said that they doubted Mr. Shultz would leave as long as there was a chance of securing an important agreement with the Soviet Union.

Morale at the State Department is rarely high, but these days it seems much lower than usual. In part this has to do with the severe budget cuts imposed by Congress, and a new personnel policy that has forced 150 of the department's most experienced officials into early retirement. But it also has to do with a perception that in recent months the Administration's foreign policy has gotten off course.

In addition to the Iran operation, officials at the State Department cite the secret arms shipments to the Nicaraguan rebels, which were carried out without State Department knowledge.

Two of the last three Secretaries of State, Cyrus R. Vance and Alexander M. Haig Jr., resigned over differences with the White House. If Mr. Shultz leaves office, it will also be over differences with the White House staff, and this would again raise questions in Washington whether the management of foreign affairs needs to be restructured in a way that defines more clearly the responsibilities for the Secretary of State and the White House national security adviser.